



218108



November 17 2006

VIA U.P.S. OVERNIGHT

**FEE RECEIVED**

Mr. Vernon Williams, Secretary  
Surface Transportation Board  
Section of Environmental Analysis  
1925 "K" St., N.W., Room 504  
Washington, DC 20423-0001

NOV 20 2006

**SURFACE  
TRANSPORTATION BOARD**

**Re: Proposed Discontinuance of the Pearson Industrial Lead from  
M.P. 133.29 near Alicia to M.P. 129.91 and M.P. 0.00 to M.P.  
1.39 near Pearson (Equation M.P. 129.91 = M.P. 0.00), a  
total distance of 4.77 miles in Yuba County, California;  
STB Docket No. AB-33 (Sub-No. 238X)**

Dear Mr. Williams:

Pursuant to 49 U.S.C. §10502, Union Pacific Railroad Company submits the original and ten (10) copies of a Petition for Exemption, with Verification, to abandon the above-referenced rail line. The Certificate of Service and Publication pursuant to 49 C.F.R. §1252.60(d) and 49 C.F.R. §1105.12 is attached to the Petition.

Also enclosed is a draft Federal Register notice pursuant to 49 C.F.R. §1152.60(c). Three computer diskettes containing the draft Federal Register notice, as well as the Petition for Exemption and Certificate of Service and Publication are also enclosed.

Please file the Petition for Exemption in Docket No. AB-33 (Sub-No. 238X). Further, enclosed is Union Pacific's voucher for \$5,300.00 for the filing fee.

Sincerely yours,

ENTERED  
Office of Proceedings

NOV 20 2006

Enclosures

Part of  
Public Record

**FILED**

NOV 20 2006

O:\ABANDONMENTS\33-238X\  
STB-PetLtr.doc

Mack H. Shumate, Jr.  
Senior General Attorney, Law Department

**SURFACE  
TRANSPORTATION BOARD**

UNION PACIFIC RAILROAD  
101 N. Wacker Dr., Rm. 1920, Chicago, IL 60606-1718  
ph. (312) 777-2055 fx. (312) 777-2065

CC:

MTMCTEA

Attn: Railroads for National Defense  
720 Thimble Shoals Blvd., Suite #130  
Newport News, VA 23606-2574

U.S. Department of the Interior  
National Park Service  
Recreation Resources Assistance Divn.  
P.O. Box 37127  
Washington, DC 20013-7127

U.S. Department of Agriculture  
Chief of the Forest Service  
4<sup>th</sup> Floor N.W., Auditors Building  
14<sup>th</sup> Street & Independence Ave., S.W.  
Washington, DC 20250

California Public Utilities Commission  
505 Van Ness Avenue  
San Francisco, CA 94102-3298

Office of Planning and Research  
1400 Tenth St.  
Sacramento, CA 95814

KBI Norcal  
4083 Rancho Road  
Marysville, CA 95901

BEFORE THE  
SURFACE TRANSPORTATION BOARD



Docket No. AB-33 (Sub-No. 238X)

UNION PACIFIC RAILROAD COMPANY  
-- PETITION FOR EXEMPTION FOR DISCONTINUANCE OF SERVICE --  
IN YUBA COUNTY, CALIFORNIA  
(PEARSON INDUSTRIAL LEAD)

PETITION FOR EXEMPTION

**FILED**

NOV 20 2006

**SURFACE  
TRANSPORTATION BOARD**

**FILE RECEIVED**  
NOV 20 2006  
**SURFACE  
TRANSPORTATION BOARD**

UNION PACIFIC RAILROAD COMPANY

Mack H. Shumate, Jr.  
Senior General Attorney  
101 North Wacker Drive  
Room 1920  
Chicago, IL 60606  
Tel: 312/777-2055  
Fax: 312/777-2065

Dated: November 17, 2006  
Filed: November 20, 2006

**ENTERED**  
Office of Proceedings  
NOV 20 2006  
Part of  
Public Record

BEFORE THE  
SURFACE TRANSPORTATION BOARD

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Docket No. AB-33 (Sub-No. 238X)



UNION PACIFIC RAILROAD COMPANY  
-- PETITION FOR EXEMPTION FOR DISCONTINUANCE OF SERVICE --  
IN YUBA COUNTY, CALIFORNIA  
(PEARSON INDUSTRIAL LEAD)

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PETITION FOR EXEMPTION

I.

INTRODUCTION

Union Pacific Railroad Company ("UP") hereby petitions the Board, pursuant to 49 U.S.C. §10502, to grant an exemption from 49 U.S.C. §§10903 in order to permit discontinuance of service over the Pearson Industrial Lead from Milepost 133.29 near Alicia to Milepost 129.91 near Pearson and Milepost 0.00 to Milepost 1.39 also near Pearson (Equation Milepost 129.91 = Milepost 0.00), for a combined total distance of 4.77 miles in Yuba County, California (the "Line").

UP certifies that in the last two years, there has been only one customer on the Line, KBI Norcal, a lumber receiver. KBI Norcal used the siding of an adjacent industry that was itself inactive, and used the Line in late 2003 and through 2004. In early 2005, KBI Norcal agreed to consolidate its rail activity at its growing facility on another UP line near Marysville, California. Therefore, the only shipper on the Line, KBI Norcal, no longer uses the Line effective as of early 2005.

There is no practicable possibility for new rail business on the Line. There is no overhead traffic on the Line.

UP seeks exemption of this proposed discontinuance of service from regulation under 49 U.S.C. §10903 in accordance with 49 U.S.C. §10502 and the Rules applicable thereto at 49 C.F.R. §1121 and 49 C.F.R. §1152 and the Special Rules at 49 C.F.R. §1152.60.

## II.

### PETITIONER'S BACKGROUND AND REPRESENTATIVE

UP has rail operations in the States of Arizona, Arkansas, California, Colorado, Idaho, Illinois, Indiana, Iowa, Kansas, Louisiana, Minnesota, Missouri, Montana, Nebraska, Nevada, New Mexico, Oklahoma, Oregon, Tennessee, Texas, Utah, Washington, Wisconsin and Wyoming. UP owns and operates over the entire Line from Milepost 133.29 near Alicia to Milepost 129.91 near Pearson and Milepost 0.00 to Milepost 1.39 also near Pearson (Equation Milepost 129.91 = Milepost 0.00), for a combined total distance of 4.77 miles in Yuba County, California (the "Line").

The name, address and telephone number of UP's representative is listed below:

Mack H. Shumate, Jr.  
Senior General Attorney  
101 North Wacker Drive  
Room 1920  
Chicago, IL 60606  
Tel: 312/777-2055  
Fax: 312/777-2065

### III.

#### LINE DESCRIPTIONS, ZIP CODE INFORMATION AND MAP

The proposed action involves the discontinuance of service of UP's operations over the entire Line from Milepost 133.29 near Alicia to Milepost 129.91 near Pearson and Milepost 0.00 to Milepost 1.39 also near Pearson (Equation Milepost 129.91 = Milepost 0.00) for a combined total distance of 4.77 miles in Yuba County, California (the "Line").

The Line was constructed in 1907 by the Northern Electric Railroad. One mile of the Line consists of 85-pound rail that was apparently laid in 1955; the balance consists of 60-pound rail.

The Line traverses U.S. Postal Service Zip Code 95901.

A map of the Line is attached hereto as **Attachment 1** and is hereby made a part hereof.

### IV.

#### SHIPPER INFORMATION

In the last two years, there has been only one customer on the Line, KBI Norcal, a lumber receiver. KBI Norcal used the siding of an adjacent industry that was itself inactive, and used the Line in late 2003 and through 2004. In early 2005, KBI Norcal agreed to consolidate its rail activity at its growing facility on another UP line near Marysville, California. Therefore, the only shipper on the Line, KBI Norcal, effective in early 2005, no longer uses the Line. The most recent shipping profile for the Line is as follows:

KBI Norcal  
4083 Rancho Road  
Marysville, CA 95901

2004 activity (rail station Pearson):

STCC 2421170, Green Lumber, 12 cars, 1181 tons.

STCC 2421184, Lumber, 34 cars, 3185 tons.

Total: 46 cars, 4366 tons.

After the discontinuance, the closest rail service will be provided by UP on the remaining portion of the Pearson Industrial Lead at the Alicia rail station, which is near Marysville. The stations subject to discontinuance, Pearson and Reed, lie on local roads within several miles of the intersection of several state highways at Marysville/Yuba City. These include north-south Routes 99 and 70, and east-west Route 20 (collectively the "Local Roads"). The Marysville/Yuba City area in turn lies about 30 miles via these Local Roads from Interstates 5 and 80.

There appears to be no reasonable alternative to the discontinuance of service. The Line serves the sole function of accessing the industry tracks of KBI Norcal. There is no other industry in the area, and none is anticipated. There is no overhead traffic on the Line.

## V.

### REASONS FOR THE DISCONTINUANCE OF SERVICE

There appears to be no reasonable alternative to the discontinuance of service on the Line. There will be no adverse effect on shippers on the Line. The Line is in poor condition and severely underutilized. These factors have forced UP to take the Line out of service. In addition, there appears to be no prospect of new traffic that would justify rehabilitation of the Line at this time or in the foreseeable future.

Discontinuance of operations on the Line would also permit the avoidance of the cost and expenses for a proposed new grade crossing planned for the area as the vicinity

continues to change from low density agriculture and light industry to higher density residential use. The sole function of the Line was to access the industry tracks of KBI Norcal, which ceased in the early part of 2005 when KBI Norcal moved its operation to another facility on the UP in Marysville, California. There is no other industry in the area, and none is anticipated. There is no overhead traffic and no passenger or freight traffic will be diverted to other transportation systems or modes as a result of the proposed discontinuance of service.

There should be no effect on regional or local transportation systems or patterns, and there will be no diversion to other modes or systems.

The UP is of the opinion that the proposed discontinuance of service would be beneficial to the UP and interstate commerce.

## VI.

### REASONABLE ALTERNATIVE; VIABILITY

There appears to be no reasonable alternative to the discontinuance of service.

UP does not believe the Line proposed for discontinuance of service is suitable for other public purposes, including roads or highways, other forms of mass transportation, conservation, energy production or transmission, as the area because of its limited population base, is adequately service by existing roads and utility lines. The Line contains approximately 3.992 acres of non-reversionary property. Based on information in UP's possession, the Line does not contain federally granted right-of-way. Any documentation in UP's possession will be made available to those requesting it.

## VII.

### THE EXEMPTION STANDARDS HAVE BEEN MET

#### A. The abandonment requires an exemption from 49 U.S.C. §10903.

Abandonment of rail lines requires authorization and approval of the Board pursuant to 49 U.S.C. §10903. However, 49 U.S.C. §10502 requires the Board to exempt a transaction when it finds: (1) continued regulation is not necessary to carry out the Rail Transportation Policy of 49 U.S.C. §10101; and (2) either the transaction is of limited scope or Board regulation is not necessary to protect shippers from an abuse of market power. UP's proposal for discontinuance of operations clearly satisfies the standards for exemption under 49 U.S.C. §10502.

Detailed scrutiny by the Board under 49 U.S.C. §10903 is not necessary to carry out the Rail Transportation Policy of 49 U.S.C. §10101. An exemption will minimize UP's administrative expense and the cost, preparation and review associated with progressing the proposed discontinuance of operations in a full application proceeding. An exemption will expedite regulatory action and will reduce regulatory barriers to exit from the Line consistent with Sections 10101(2) and (7). An exemption will foster sound economic conditions in the transportation industry consistent with Section 10101(5), by permitting UP's discontinuance of operations of the Line and avoiding the need to retain and operate a rail line that will not be used by any shipper.

The proposed discontinuance of service is clearly a transaction of "limited scope." The Line which consists of the Pearson Industrial Lead is only 4.77 miles long and will have no recurring local traffic.

## VIII.

### LAND AREA, FEDERAL GRANT INFORMATION, AND PUBLIC USE

The right-of-way is approximately 4.77 miles in length. The Line is 149 feet in width and is in a dale. The topography of the land is hilly and rocky with some gently rolling slopes. The property is generally not suitable for other public purposes including roads or highways, other forms of mass transportation, conservation, energy production or transmission, as the area because of its limited population base is adequately served by existing roads and utility lines at the present time. The Line contains approximately 3.992 acres of non-reversionary property. Based on information in UP's possession, the Line does not contain federally granted right-of-way. Any documentation in UP's possession concerning ownership of the Line will be made available to those requesting it.

After the discontinuance, the closest rail service will be provided by UP on the remaining portion of the Pearson Industrial Lead at the Alicia rail station, which is near Marysville. The stations subject to discontinuance, Pearson and Reed, lie on local roads within several miles of the intersection of several state highways at Marysville/Yuba City. These include north-south Routes 99 and 70 and east-west Route 20 (collectively the "Local Roads"). The Marysville/Yuba City area in turn lies about 30 miles away via these Local Roads from Interstates 5 and 80.

IX.

LABOR

UP is agreeable to the labor protection conditions imposed in abandonment proceedings as prescribed in Oregon Short Line R. Co. - Abandonment - Goshen, 360 ICC 91 (1979).

X.

ENVIRONMENTAL AND HISTORIC REPORT

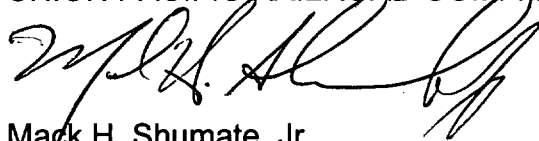
The required environmental and historic information is contained in the Combined Environmental and Historic Report (the "CEHR") which was served on May 16, 2006. A copy of the CEHR transmittal letter is attached hereto as **Attachment 2**. The original and ten (10) copies of the CEHR were sent to Ms. Victoria Rutson, Section of Environmental Analysis, on May 15, 2006, for filing.

WHEREFORE, Union Pacific Railroad Company respectfully requests that the Board issue a decision exempting the proposed discontinuance of service from the provisions of 49 U.S.C. §10903 and direct that the exemption be effective on the date of the Board's decision.

Dated this 17<sup>th</sup> day of November, 2006.

Respectfully submitted,

UNION PACIFIC RAILROAD COMPANY



Mack H. Shumate, Jr.  
Senior General Attorney  
101 North Wacker Drive  
Room 1920  
Chicago, IL 60606  
Tel: 312/777-2055  
Fax: 312/777-2065

**VERIFICATION**

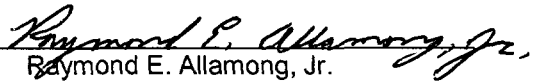
STATE OF NEBRASKA )

COUNTY OF DOUGLAS )

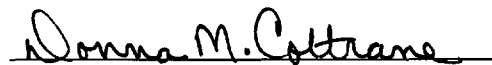
) ss:  
)

I, RAYMOND E. ALLAMONG, JR., Senior Manager Rail Line Planning of Union Pacific Railroad Company, declare under penalty of perjury, under the laws of the United States of America, that I have read the foregoing document and that its assertions are true and correct to the best of my knowledge, information and belief. I further declare that I am qualified and authorized to submit this verification on behalf of Union Pacific Railroad Company. I know that willful misstatements or omissions of material facts constitute Federal criminal violations punishable under 18 U.S.C. 1001 by imprisonment up to five years and fines up to \$10,000 for each offense. Additionally, I know that these misstatements are punishable as perjury under 18 U.S.C. 1621, which provides for fines up to \$2,000 or imprisonment up to five years for each offense.

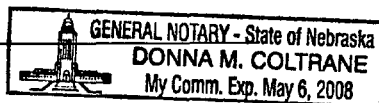
Dated at Omaha, Nebraska, this third day of August, 2006.

  
Raymond E. Allamong, Jr.

SUBSCRIBED AND SWORN TO  
before me this third day of  
August, 2006.

  
Notary Public

My Commission expires:



O:\ABANDONMENTS\33-178X\VerRA.wpd

DRAFT FEDERAL REGISTER NOTICE  
[49 C.F.R. § 1152.60(c)]

STB No. AB-33 (Sub-No. 238X)  
Notice of Petition for Exemption to Abandon or  
to Discontinue Service

On November 13, 2006, Union Pacific Railroad Company filed with the Surface Transportation Board, Washington, D.C. 20423, a petition for exemption for the discontinuance of service over the Pearson Industrial Lead from Milepost 133.29 near Alicia to Milepost 129.91 near Pearson, and Milepost 0.00 to Milepost 1.39, also near Pearson (Equation Milepost 129.91 = Milepost 0.00) for a combined total distance of 4.77 miles in Yuba County, California, collectively (the "Line"). There are no shippers on the Line that will be adversely affected by the proposed abandonment.

The Line does not contain federally granted rights-of-way. Any documentation in the railroad's possession will be made available promptly to those requesting it.

The interest of railroad employees will be protected as required by 49 U.S.C. 10903(b)(2).

Any offer of financial assistance will be due no later than 10 days after service of a decision granting the petition for exemption.

Persons seeking further information concerning abandonment procedures may contact the Surface Transportation Board or refer to the full abandonment or discontinuance regulations at 49 CFR Part 1152. Questions concerning environmental issues may be directed to the Board's Section of Environmental Analysis, telephone (202) 565-1545.

An environmental assessment (EA) (or environmental impact statement (EIS), if necessary), prepared by the Section of Environmental Analysis will be served upon all parties of record and upon any agencies or other persons who commented during its preparation. Any other persons who would like to obtain a copy of the EA (or EIS) may contact the Section of Environmental Analysis. EAs in these abandonment proceedings normally will be made available within 60 days of the filing of the petition. The deadline for submission of comments on the EA will generally be within 30 days of its service.

**CERTIFICATE OF SERVICE AND PUBLICATION**

The undersigned hereby certifies that a copy of the foregoing Petition for Exemption in Docket No. AB-33 (Sub-No. 238X) by Union Pacific Railroad Company was served on the date indicated below by mailing a copy, first class mail postage prepaid to the following:

MTMCTEA  
Attn: Railroads for National Defense  
720 Thimble Shoals Blvd., Suite #130  
Newport News, VA 23606-2574

U.S. Department of the Interior  
National Park Service  
Recreation Resources Assistance Divn.  
P.O. Box 37127  
Washington, DC 20013-7127

U.S. Department of Agriculture  
Chief of the Forest Service  
4<sup>th</sup> Floor N.W., Auditors Building  
14<sup>th</sup> Street & Independence Ave., S.W.  
Washington, DC 20250

California Public Utilities Commission  
505 Van Ness Avenue  
San Francisco, CA 94102-3298

Office of Planning and Research  
1400 Tenth Street  
Sacramento, CA 95814

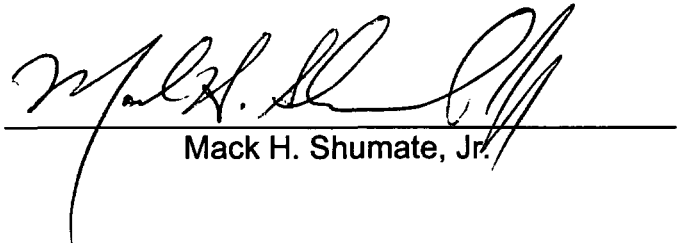
KBI Norcal  
4083 Rancho Road  
Marysville, CA 95901

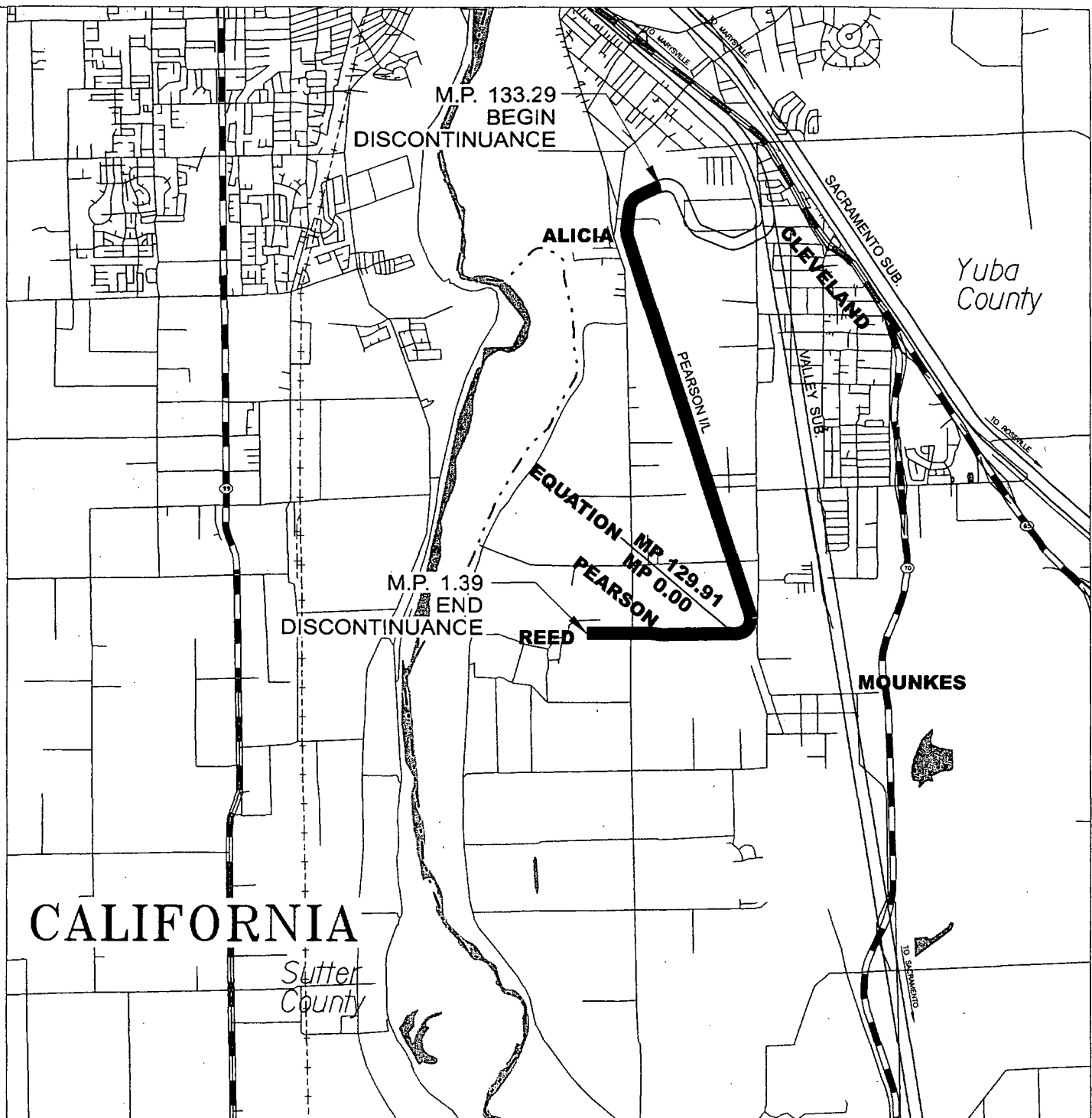
The undersigned further certifies that a Notice of Abandonment and Discontinuance of Service was published one time in the county where the Line is located as follows:

<u>County</u>	<u>Newspaper</u>	<u>Date</u>
Yuba	<i>Appeal Democrat</i>	November 17, 2006

The above newspaper is generally circulated in the county where the rail line is located. The Notice as published was in the form prescribed by the Board for a Petition for Exemption at 49 C.F.R. 1105.12.

Dated this 17<sup>th</sup> day of November, 2006.

  
Mack H. Shumate, Jr.



NOTE: THERE ARE NO 50+ YEAR OLD STRUCTURES

# LEGEND

- UPRR LINES TO BE DISCONTINUED
- OTHER UPRR LINES
- OTHER RAILROADS
- RAILROADS (abandoned)
- PRINCIPAL HIGHWAYS
- OTHER ROADS
- 50+ YEAR OLD STRUCTURES

## PEARSON INDUSTRIAL LEAD

MP 129.91 TO MP 133.29

MP 0.00 TO MP 1.39

4.77 MILES IN SUTTER COUNTY

UNION PACIFIC RAILROAD CO.

PEARSON INDUSTRIAL LEAD

CALIFORNIA

INCLUDING 50+ YEAR OLD STRUCTURES

SCALE MILES

FILE: Q:\abandonments\ab0238\_pearson\_v8.dgn

DATE: 26-Jan-06 07:28



Mack H. Shumate, Jr.  
Senior General Attorney, Law Department

**FILE COPY**

May 15, 2006

**VIA U.P.S. OVERNIGHT**

Surface Transportation Board  
Section of Environmental Analysis  
1925 "K" St., N.W., Room 504  
Washington, DC 20423-0001



**Attention:** Victoria Rutson

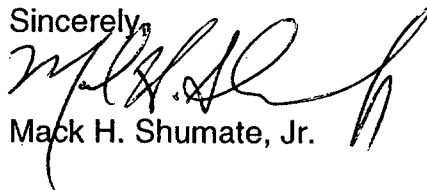
**Re: Proposed Discontinuance of the Pearson Industrial Lead from M. P. 133.29 near Alicia to M. P. 129.91 and M. P. 0.00 to M. P. 1.39 near Pearson (Equation M. P. 129.91 = M. P. 0.00), a total distance of 4.77 miles in Yuba County, California; STB Docket No. AB-33 (Sub-No. 238X)**

Dear Ms. Rutson:

Enclosed for filing in the above-referenced docket is the original and ten (10) copies of a Combined Environmental and Historic Report prepared pursuant to 49 C.F.R. §1105.7 and §1105.8, with a Certificate of Service, and a transmittal letter pursuant to 49 C.F.R. §1105.11.

Union Pacific anticipates filing a Notice of Exemption in this matter on or after June 5, 2006.

Sincerely,

  
Mack H. Shumate, Jr.

Enclosures

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